

PAYLINES

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CIVILIAN PERSONNEL MANAGEMENT SERVICE WAGE AND SALARY DIVISION – NAF PAY SYSTEMS BRANCH

FY 2010 WAGE SCHEDULES RELEASED

Shortly after the President signed the Executive Order – Adjustments of Certain Rates of Pay on December 23, 2009, the Office of Personnel Management (OPM) issued CPM 2009-25, which provided guidelines for the application of the Executive Order and the Consolidated Appropriations Act, 2010. As we advised in the October issue of *Paylines*, FY 2010 Federal Wage System (FWS) Crafts and Trades (CT), Administrative Support (AS), and Patron Services (PS) wage schedules could not be computed or released without this guidance. The “held” schedules, with effective dates on or after October 1, 2009, were issued and posted to our website beginning December 30, 2009.

Please note that the normal effective date for each area has not changed. Pay changes must be implemented retroactively to the effective date shown on the schedule regardless of the issue date.

There are two pay provisions that affect FY 10 FWS locality pay adjustments. Section 710 establishes a pay increase limitation (pay cap) of 2.12%. Section 744 provides that, notwithstanding section 710, pay adjustments for certain prevailing rate employees in FY 10 may not be less than the January 2010 pay adjustments received by GS employees where they work.

Thus, as in the last several years, there are three components to calculating pay for the NAF CT, AS, and PS

schedules; prevailing rate survey results, the pay cap, and a minimum percentage based on the GS adjustment (a.k.a. pay parity). The GS adjustment varies by GS-defined locality area. Since FWS-NAF wage areas are defined differently, they must be cross-referenced with GS locality pay areas to determine the applicable minimum. In some cases, the NAF wage area corresponds to two or more GS locality pay areas, thus requiring multiple schedules. The NAF wage area numbering found on our website and the schedule backs provide guidance.

AFFECT ON APPROPRIATIONS

In some wage areas, the GS percentage will be higher than the survey results and the cap. In cases where the pay entitlement for prevailing rate employees paid from nonappropriated funds is higher under section 744 than under section 710, agencies must fund the difference from appropriations for agency salaries and expenses for FY 2010. The NAF Pay Systems staff will continue to provide the Component Headquarters with a “base” schedule for each area reflecting what the pay would have been without the impact of Section 744. These “base” schedules will allow for the calculation of the amount to be paid from APF. **Refunds due to NAF from APF for FY 2009 exceeded \$32 million.**

NAF PAY SYSTEMS (NPS)

Once the GS locality increases were finalized, NPS (payband) schedules with new **upper band rates** were issued and posted on December 30th, for all wage areas. Upper band changes are effective the first day of the first pay period beginning on or after January 1, 2010.

MINIMUM WAGE CHANGES

Alaska and Connecticut will raise their state minimum wages to \$7.75 and \$8.25, respectively, effective on January 1, 2010. Also on that day, Colorado will lower its minimum wage, thereby making the federal minimum wage of \$7.25 applicable. Revised wage schedules for affected areas were issued on December 10th. Three other states, Arizona, Florida, and Vermont, that also adjust the state minimum wage annually for inflation, are holding at the current levels. In July, Illinois plans to raise the state minimum from \$8.00 to \$8.25. Please let us know if minimum wage changes are being considered in your area.

CHANGES TO TIMING OF WAGE AREA SURVEYS

Beginning back in 2009 and ending in 2012, many wage areas will see the timing of their wage surveys switched to a new month. The timing changes will facilitate a better balance of the survey workload allowing more resources to be allocated to each survey area and in many cases, alleviate weather-related challenges encountered while conducting surveys. Wage areas will be notified if the timing of their wage survey is changing.

PAYLINES IS ONLINE!

The next issue of *Paylines* will be found all-electronic on our website at <http://www.cpms.osd.mil/wage/scheds/na/paylines.aspx>. We’re continuing our efforts to go green. Enjoy!

HAIL AND FAREWELL

We would like to welcome Brittany Hartley and Emalee Kohos who joined our staff in December. We also bid farewell to Natrisha Rakestraw and Ginger Reichert who recently left to pursue other endeavors.